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IN THIS ISSUE . . .

*Manufacturing Earnings in BEA Component
Economic Areas, 1996*



SURVEY of CURRENT BUSINESS

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It incorporates data from the following monthly BEA news releases:

U.S. International Trade in Goods and Services (October 20),
Gross Domestic Product (October 30), and
Personal Income and Outlays (November 2).

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55 Manufacturing Earnings in BEA Component Economic Areas, 1996

Among BEA component economic areas (CEA's), the CEA's with the highest average manufacturing earnings per job are those that have a greater proportion of manufacturing jobs, have a large, well-educated workforce, and have higher concentrations of industry clustering. The results from a regression analysis show that industry mix is the most important factor associated with average manufacturing earnings per job and that the education level of the workforce and the extent of industry clustering are also significant.

Regular features

1 Business Situation

U.S. economic activity picked up in the third quarter of 1998: Real GDP increased 3.3 percent after increasing 1.8 percent in the second quarter. The price index for gross domestic purchases increased 0.5 percent after increasing 0.4 percent.

6 Motor Vehicles, Model Year 1998

In model year 1998, sales of motor vehicles increased to 15.7 million units from 15.4 million units in model year 1997. The increase was more than accounted for by another strong increase in sales of new trucks, which reached a record 7.6 million units. Sales of new cars declined for the fourth consecutive year.

13 Comparison of BEA Estimates of Personal Income and IRS Estimates of Adjusted Gross Income: New Estimates for 1996 and Revised Estimates for 1982–95

BEA's measure of personal income and the IRS measure of adjusted gross income are reconciled through a series of adjustments for definitional differences between the two measures. This year's reconciliation reflects the recent annual revision of the NIPA's, including the redefinition of dividend payments and the incorporation of revised IRS tabulations of capital gains distributions.

20 Gross Product by Industry, 1995–97

The estimates of gross product by industry for 1995–96 have been revised to incorporate the results of this year's annual revision of the NIPA's and newly available source data, and new estimates for 1997 have been prepared. In 1997, durable goods manufacturing and services were the largest contributors to the 3.9-percent increase in real GDP; finance, insurance, and real estate and services were the largest contributors to the 1.9-percent increase in the GDP price index.

41 Reconciliation of the U.S.-Canadian Current Account, 1996 and 1997

For both 1996 and 1997, the reconciliation of the U.S.-Canadian current account results in a U.S. current-account deficit with Canada that is larger than the deficit shown in the U.S. published accounts. The annual reconciliation shows how the current-account estimates would appear if both countries used the same definitions, methodologies, and data sources.

66 Personal Income by State and Region, Second Quarter 1998

Personal income in the Nation increased \$78.0 billion, or 1.1 percent, in the second quarter of 1998. By region, the largest increase was in the Southeast, which accounted for 22 percent of the growth. By State, the fastest growth in personal income was in Nevada, Arizona, South Carolina, Utah, and Vermont. The slowest growth was in South Dakota, Hawaii, New Jersey, and Michigan.

Reports and statistical presentations

D-1 BEA Current and Historical Data

Inside back cover: BEA Information

(A listing of recent BEA publications available from GPO)

Back cover: Schedule of Upcoming BEA News Releases

LOOKING AHEAD

- ✿ ***New Structures and Equipment by Using Industries.*** An article that presents the 1992 capital flow table for the United States will be published in the December SURVEY. The capital flow table, which shows the using industries for each type of new structure and equipment in gross private fixed investment, is an extension of the 1992 benchmark input-output accounts for the U.S. economy.
 - ✿ ***Evaluation of the GDP Estimates.*** An article that presents the results of a periodic evaluation of the estimates of gross domestic product (GDP) will be published in the December SURVEY. The article will examine the record of revisions to the annual and quarterly estimates of GDP and of national income in order to assess the reliability of these estimates.
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